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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of) **BEFORE THE BOARD OF PATENT**
Robert A. FERSTENBERG et al.) **APPEALS AND INTERFERENCES**
Serial No. 09/209,815)
Filed: December 11, 1998)
For: COMPUTER METHOD AND)
SYSTEM FOR INTERMEDIATED)
EXCHANGE OF COMMODITIES)
Appeal No.:
Examiner: James W. Myhre
Group Art Unit: 3622
May 27, 2003

REPLY BRIEF

Assistant Commissioner for Patents
Washington, D.C. 20231

Dear Sir:

This is a reply to the Examiner's Answer dated March 27, 2003, pursuant to 37 CFR § 1.193(b)(1).

As explained in the main brief, contrary to the claimed invention the Silverman system does not intermediate the exchange of commodities among plural parties through a series of offer and counter-offer messages from the participants to the intermediary and from the intermediary to the participants. Instead, the Silverman system merely identifies potential counterparties to a transaction and then brings the identified parties into contact with each other such that the parties negotiate the transaction directly. See col. 12, ll. 6-14;

See also col. 6, ll. 39-45 and Fig. 2, which illustrates the direct connections between remote terminals (e.g., terminals 101 and 102) bypassing the matching computer 11, for direct communication during negotiations. As Silverman states, “[t]he system does not automatically execute transactions. Instead, the system introduces compatible counterparties who are provided with an opportunity to communicate with one another prior to execution of the transaction to negotiate some or all terms of the transaction.” Col. 12, ll. 59-67.

In response to Appellants’ argument, instead of pointing to the actual detailed disclosure of the Silverman system showing where Silverman discloses such an intermediated exchange, the Examiner relies on a portion of Silverman’s general discussion of the background of his invention, and on a recited element of Silverman’s claim 32.

Neither of these citations supports the Examiner’s position.

First, the cited segment of Silverman’s background discussion talks about known automated trading systems and how traders cannot input into such systems mere “expressions of interest” in particular transactions without any objective criteria that would make the expression of interest a firm offer or bid. Significantly, Silverman states that

[t]hese systems do not provide a means by which two parties who are potentially interested in dealing with one another may be introduced to one another based on preliminary information input into the system, and then allowed to negotiate the terms of a transaction using a communication link.

Col. 2, ll. 35-40. The “means” by which Silverman enables two parties to be introduced and allowed to negotiate the terms of a transaction is disclosed by Silverman at col. 12, ll. 59-67 as explained in the main brief and repeated above. This segment of the Silverman

reference fails to disclose any intermediation of an exchange of commodities among plural parties through a series of offer and counter-offer messages from the participants to the intermediary and from the intermediary to the participants, as required by the claims on appeal.

Second, the cited element of claim 32 of the Silverman patent sets forth:

a communication enablement system for enabling communication between the potential counterparties detected by said detection system in order to negotiate variable trading parameters for the potential transaction.

This recitation similarly fails to disclose any offer or counter-offer messages from the participants to the intermediary and from the intermediary to the participants as set forth in the claims on appeal. To the contrary, the claimed "communication enablement system" explicitly requires communication between the potential counterparties to negotiate trading parameters for a potential transaction, which is opposite to the requirement of the claims on appeal. Silverman nowhere discloses, suggests or otherwise mentions that "negotiations are being sent to the matching computer, not directly to the other participant," as alleged in the Examiner's Answer at page 9. Silverman in fact states the opposite at col. 12, ll. 63-67 as pointed out in the main brief and repeated above.

The additional citations to Silverman at page 10 of the Examiner's Answer similarly are not helpful to the Examiner's position. Those citations merely confirm that the Silverman system does not intermediate any negotiations between counterparties but instead allows the parties to negotiate directly with each other.

With respect to the anonymous nature of the present invention as contrasted with the Silverman system, the Examiner's Answer continues its pattern of reliance in favor of broad summary language that the Answer attempts to interpret so that it appears to conform to the claim language, while eschewing the actual detailed description of operation of the Silverman system. Contrary to the Answer's predilection for converging on broad statements to the exclusion of what Silverman actually discloses to those skilled in the art, analysis of the prior art must focus on what the prior art teaches to those skilled in the art, and not on the breadth of terminology used in the reference, in determining whether a prior art reference discloses a claimed invention. See Kalman v. Kimberly-Clark Corp., 713 F.2d 760, 218 USPQ 781 (Fed. Cir. 1983).

In this regard, Silverman explicitly discloses that "[a]t the completion of the initiation stage of operation, the identities of the parties are revealed so that they may negotiate the outstanding terms of the transaction in the completion stage." Col. 12, ll. 14-17 (emphasis added). Thus, Silverman does not enable the benefits of anonymity that are provided by the present invention as claimed.

The Answer's discussion of Ausubel and Thiessen (pp. 11-12) similarly fails to rebut Appellants' argument that these references are irrelevant to the claimed invention. Nowhere in the Examiner's prolix citations to Ausubel does the Examiner point to where Ausubel purportedly discloses users on opposite sides of a particular transaction. It is submitted that if Ausubel in fact disclosed such a concept, it would be a rather simple matter to pinpoint such disclosure in the reference. The Answer has not provided any nexus between

Thiessen's "satisfaction calculations" and any identified shortcoming in the Silverman system by which one of ordinary skill in the art would have been motivated to modify Silverman, much less identifying how such combination would have rendered any of the claims on appeal unpatentable.

CONCLUSION

In view of the foregoing and the arguments presented in the main brief, claims 116-121, 123 and 125-147 are submitted to be directed to a new and unobvious method for electronic intermediated exchange of commodities among a plurality of participants, which is not taught or suggested by the prior art. The Honorable Board is respectfully requested to reverse all grounds of rejection and to direct the passage of this application to issue.

Please charge any fee or credit any overpayment pursuant to 37 CFR 1.16 or 1.17 to Deposit Account No. 02-2135.

Respectfully submitted,

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